PORTFOLIO BUDGET STATEMENTS 2008-09

HUMAN SERVICES PORTFOLIO

BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY AGENCY, BY OUTCOME

BUDGET RELATED PAPER NO. 1.11

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SENATOR THE HON JOE LUDWIG

Minister for Human Services
Manager of Government Business in the Senate
Senator for Queensland

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2008-09 Budget for the Human Services Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

JOE LUDWIG
Minister for Human Services

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Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
$m	$ million
$b	$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact the Chief Financial Officer, in the Department of Human Services on (02) 6223 4000.

A copy of this document can be located on the Australian Government Budget website at: http://www.budget.gov.au.

USER GUIDE TO THE PORTFOLIO BUDGET STATEMENTS

USER GUIDE

The purpose of the 2008-09 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by agencies within the portfolio. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2008-09 (or Appropriation Bill [Parliamentary Departments] No. 1 2008-09 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

STRUCTURE OF THE PORTFOLIO BUDGET STATEMENTS

The Portfolio Budget Statements have been revised for the 2008-09 Budget, with significant changes made to reduce the work load on agencies and to provide Parliament with more targeted and comprehensive information on government expenditure.

Included below is a brief outline of each section of the revised document.

Portfolio overview	
The portfolio overview is largely unchanged with portfolio departments required to briefly outline the responsibilities of the portfolio, list the relevant agencies and Ministers and the resources available.	
Agency Resources and Planned Performance	
A statement (under the name of the agency) for each agency within the Portfolio.	
Section 1: Agency overview and resources	• This section includes three components: – 1.1 Strategic Direction for 2008-09; – 1.2 Resource Statement; and – 1.3 Measures Table. • The intention of section one is to provide readers with an overview of the functions and responsibilities of the agency, its contribution towards its outcomes for the budget year and the resources available. • In the *Strategic Direction for 2008-09* agencies are to present a narrative approach rather than being restricted to a fixed number of headings. The key emphasis is on telling the agency 'story': the key strategies it is implementing to achieve its outcomes, what is involved and how success and progress are to be measured. • The agency resource statement and measures table summarise resource information into two tables. Agencies are to use the new agency resource statement which details the source and nature of the all resources available to the agency. Budget Measures information is to reflect the information covered in Budget Paper 2, with the output group against which the measures are to be pursued included to improve cross-referencing.

Agency Resources and Planned Performance (continued)	
Section 2: Outcomes and Planned Performance	• The outcomes section has undergone significant change to re-orientate agency reporting towards their results in contributing to outcomes and away from focusing on the activities and processes of agencies. • The outcome resource statement provides lower level resourcing information for general users at the results level, grouped by output group rather than appropriation type as has been the case previously. • Following the outcome resource statement agencies will use output groups for each outcome to group their intended contributions and the performance indicators used to assess the agency's effectiveness. By focusing on the results and impacts agencies are making towards outcomes, the revised PB Statements will be more focused on how agencies contribute to outcomes rather than detailing activities.
Section 3: Explanatory tables and budgeted financial statements	• This section has been reworked to increase the readability of technical financial information. The section now includes: – an explanation of any differences at agency level between the information included in the Budget Papers and the PB Statements arising from the use of the GFS and AAS accounting methodologies; and – explanatory tables to provide supplementary information on the reconciliation between total available appropriation and outcome attribution, the re-phasing and use of appropriations, special account flows and Australian Government Indigenous Expenditure. • It should also be noted that the capital budget statement and the property, plant, equipment and intangibles statements are no longer mandatory in the financial statements. This change has been made because for the majority of agencies the information provided was of little value. Agencies with significant investment programs and/or balance sheets may continue using the statements to better explain their overall position.
Glossary	Explains key terms relevant to the Portfolio.